

May 11, 2010

Barry Wood
Director Assessment Division
Department of Local Government Finance
Indiana Government Center North
100 North Senate Avenue N1058(B)
Indianapolis, IN 46204

Dear Barry,

We have completed the sales ratio study for the 2010 Trending. All sales that we deemed valid were used; including land sales that have since been improved (these sales are marked with a star beside the parcel number on the ratio study to be easily identifiable). We didn't use any sales older than 2008, because we didn't feel it was representative of the current market place. No time adjustments were used.

Residential and Ag Homesites

There were minimal sales in the rural townships; for this reason we included sales from 2008. The area we saw the most movement was in Ohio Township, a densely populated area where we felt we had enough to use only 2009-10 sales. All other Townships used 2008-10 sales. The following Townships' land sales have been grouped together due to their small parcel count and similar economic factors; these are the more rural Townships (Anderson, Campbell, Greer, Hart, Lane, Owen, Pigeon, and Skelton). We didn't include Ohio and Boon Townships because we felt they had an adequate amount of sales to get a clear picture of the market. We also created an "Improved Countywide Ratio Study" to show the county as a whole. Some additional neighborhoods were created where new developments popped up. Also, trend factors have been applied to help bring the median ratios closer to 1.00 throughout the county where it was necessary.

Commercial and Industrial

Sales for Commercial and Industrial properties overall showed very little change. There were very few sales in the rural areas. No sales older than 2008 were used in the study, because we didn't feel it was representative of the current market place. Due to the lack of sales and similar construction types, we combined all Commercial and Industrial properties. Just like the Residential properties, improved and land sales have been grouped together as a "Countywide Study". We did break new neighborhoods also where

they were needed. Trend factors were added to help bring the median ratios closer to 1.00.

Golf courses in Warrick County on average saw a 30%-60% decrease in value. A cap rate of 12% was used. This rate was determined after local sales research had been completed and then cross referenced to a national and regional study to ensure accuracy. We applied this cap rate to all golf courses in the county.

Summary

Outside of the golf courses, we saw very little change. Almost all of our neighborhoods that had a representative number of sales fell within acceptable range and if they did not, we applied a neighborhood factor to get them to meet IAAO standards. Any areas that didn't have a fair representation of sales were combined with an adjoining area of similar economic factors. This fact helped us determine that we did not have a lot of movement in the marketplace. There were slight increases of Residential properties in Ohio Township and Boon Township showed a decrease of value in certain areas. The only increases we saw were in Ohio Township; any adjustments made to other Townships were decreases.

Sincerely,

Angela Wilder